

PRESIDENT'S ADVISORY
PANEL
ON FEDERAL TAX REFORM

2005 JUL 21 A 11: 08

Central Oregon

June 16, 2005

Clackamas County

The President's Advisory Panel on Federal Tax Reform 1440 New York Avenue. NW

Coos-Curry

Suite 2100

Mashington

Douglas Co.

Washington, D.C. 20220

Jackson Co.

Dear Chairman Mack and members of the President's Advisory Panel on Federal Tax Reform.

Josephine

Housing Council

On behalf of the Association of Oregon Housing Authorities, please

strengthen the Low Income Housing Tax Credit and tax-exempt private activity housing bond programs as you consider proposals to reform the

Internal Revenue Code.

Klamath

Lane Co

Lincoln Co.

Linn-Benton

Malheur

Marion Co.

Mid Columbia

North Bend

Northeast OR

Northwest OR

Polk Co.

Portland

(Multnomah Co.)

Salem

Umatilla Co.

Washington Co

Yamhill Co

Vancouver, WA

As we continue our efforts to strengthen local communities, we rely on innovative tools such as tax credits and bond programs. We ask that you oppose any tax reform proposals that would negatively impact these tools. They are so valuable in helping address our nation's growing need for affordable housing.

In Oregon, we are faced with a declining federal commitment to the Section 8 Housing Choice Voucher Program. This has severely impacted our ability to serve low-income families throughout Oregon. Unable to keep pace with skyrocketing housing costs, hard working Oregon families are being forced to make tough choices. To name a few, families and seniors often choose between housing and food, health care, increasing utility costs and prescription drugs.

As an association, we believe that 'Success has a Home.' For children to succeed they need a place to call home. Recent funding shortfalls to the Section 8 Housing Choice Voucher Program are threatening the opportunity for all Oregonians to have an affordable, stable home.

In Oregon, we have seen burdensome impacts on local communities and low-income children, seniors and families that are an integral part of their neighborhoods:

- Shortfall of \$10,914,655 in housing assistance payments that help low-income families get through challenging times;
- Loss of approximately 905 Housing Vouchers for families currently receiving housing assistance through attrition;

- Reduced housing assistance payments per month for families already struggling to pay bills;
- An increasing wait for the 42,100 Oregon families currently on waiting lists to receive housing assistance. In many communities, the waiting lists are currently closed because of the high demand for affordable housing; and
- To add to the challenge, housing authorities across Oregon received an additional reduction of \$815,708 in administrative costs.

Despite these funding shortfalls, Oregon Housing Authorities are committed to creating stable affordable housing opportunities for the low-income families we serve. We have the ability to accomplish this by increasing funding for affordable housing development and support programs and using policy tools to help increase housing availability and stability.

Once again, as you look at various tax reform proposals, we would encourage you to **protect key housing tax credit and bond programs** from any unintended consequences.

Sincerely,

Jerry Croft, President

Association of Oregon Housing Authorities

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